



# Ciena Corporation

Fiscal Q2 2026 Earnings Presentation  
Period ended May 2, 2026

June 4, 2026

# Forward-looking statements and non-GAAP measures

You are encouraged to review the Investors section of our website, where we routinely post press releases, Securities and Exchange Commission (SEC) filings, recent news, financial results, supplemental financial information, and other announcements. From time to time, we exclusively post material information to this website along with other disclosure channels that we use. Information in this presentation and related comments of presenters contains certain forward-looking statements that involve risks and uncertainties. These statements are based on current expectations, forecasts, assumptions and other information available to the Company as of the date hereof. Forward-looking statements include statements regarding Ciena's expectations, beliefs, intentions or strategies regarding the future and can be identified by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will," and "would" or similar words.

Ciena's actual results, performance or events may differ materially from these forward-looking statements made or implied due to a number of risks and uncertainties relating to Ciena's business, including: the effect of broader economic and market conditions on our business and that of our customers, including their spending; the development and use of artificial intelligence and its impact on overall networking technology spending; our ability to execute our business and growth strategies; supply chain constraints or disruptions including increased costs and lead times; the introduction of new technologies by us or our competitors; the timing and size of customer orders, their delivery dates and our ability to fulfill and recognize revenue relating to such sales; the level of competitive pressure we encounter; the product, customer and geographic mix of sales within the period; changes in foreign currency exchange rates; factors beyond our control such as natural disasters, climate change, acts of war or terrorism, geopolitical tensions or events, and public health emergencies, epidemics, or pandemics; changes in tax or trade regulations, including the imposition of tariffs, duties or efforts to withdraw from or materially modify international trade agreements; cyberattacks, data breaches or other security incidents involving our enterprise network environment or our products; regulatory changes, litigation involving our intellectual property or government investigations; and the other risk factors disclosed in Ciena's periodic reports filed with the Securities and Exchange Commission (SEC) including its Annual Report on Form 10-K filed with the SEC on December 12, 2025 and included in its Quarterly Report on Form 10-Q for the second quarter of fiscal 2026 to be filed with the SEC.

All information, statements, and projections in this presentation and the related earnings call speak only as of the date of this presentation and related earnings call. Ciena assumes no obligation to update any forward-looking or other information included in this presentation or related earnings calls, whether as a result of new information, future events or otherwise.

In addition, this presentation includes historical, and may include prospective, non-GAAP measures of Ciena's gross margin, operating expense, operating margin, EBITDA, and net income per share. These measures are not intended to be a substitute for financial information presented in accordance with GAAP. A reconciliation of non-GAAP measures used in this presentation to Ciena's GAAP results for the relevant period can be found in the Appendix to this presentation. Additional information can also be found in our press release filed this morning and in our reports on Form 10-Q and Form 10-K filed with the Securities and Exchange Commission.

With respect to Ciena's expectations under "Business Outlook", Ciena is not able to provide a quantitative reconciliation of the adjusted (non-GAAP) gross margin, adjusted (non-GAAP) operating expense, and adjusted (non-GAAP) operating margin guidance measures to the corresponding gross margin, operating expense, and operating margin GAAP measures without unreasonable efforts. Ciena cannot provide meaningful estimates of the non-recurring charges and credits excluded from these non-GAAP measures due to the forward-looking nature of these estimates and their inherent variability and uncertainty. For the same reasons, Ciena is unable to address the probable significance of the unavailable information.

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# Executive Summary



**AI requires more optical networking. More optical networking requires Ciena**

**Q2 2026 results demonstrate sustained growth and operational discipline**  
*Delivered record revenue and backlog, strong profitability*

**DCI, including scale-across, is gaining momentum as customers connect AI data centers to monetize their investments**

**Demand is outstripping supply, resulting in multi-year visibility and extended lead times**

**We were awarded the industry's first multi-rail opportunity using Ciena's RLS Hyper-Rail solution to connect training data centers over distance**

ciena®

# Introduction to Ciena



# Ciena has global network reach and scale

## Scale and reach



**\$4.8B FY2025 Revenue**

19% YoY growth



**9,000+ Employees\***

Including 4,500+ R&D specialists



**80+ Countries\***

Customers on six continents



**1,700+ Customers\***

Worldwide

## Strategic focus

**Long-haul and subsea networks**

Connecting cities and countries

**Metro and regional**

Linking the cloud and data centers in a region

**In and around the data center**

Connecting AI compute at ultra-high speed

## Recognized leadership

**#1 in Data Center Interconnect\*\***

Dell'Oro Group

**#1 in Total Optical Networking\*\***

Signal AI, Dell'Oro, Omdia

**#1 in Submarine Networks\*\***

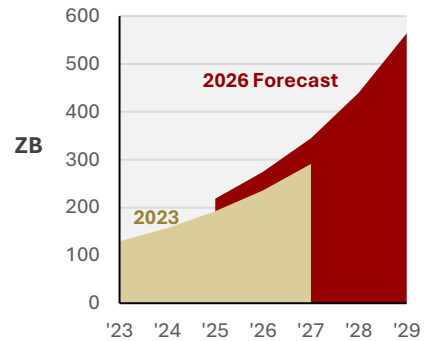
Signal AI, Omdia

\*Based on FYE2025

\*\* Market share measures as of Q1 2026 exclude China

# Data generation and bandwidth are continuing to grow

## Global Data Generation

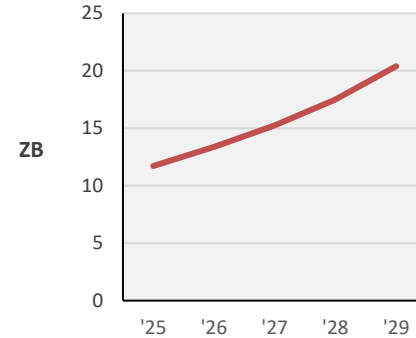


**+25%**  
CAGR '25-'29

2026 forecast growing faster than historical trend

Source: Worldwide IDC Global DataSphere Forecast, 2025-2029, Doc#US53363625

## Data Moved by SPs



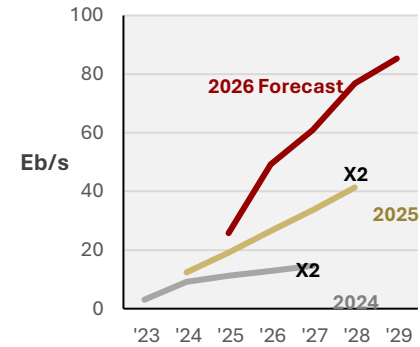
**+15%**  
CAGR '25-'29

User consumption bandwidth is growing at lower rate than the AI "factory"

Source: Omdia, AI Network Traffic Forecast 2023-35, Feb 2026

Note: "This forecast restricts traffic growth estimates to data transiting across a network operated by a service provider."

## Data Center Bandwidth

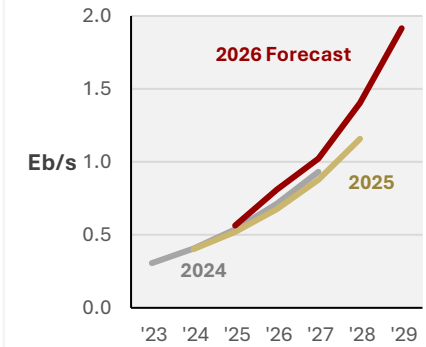


**+35%**  
CAGR '25-'29

Actual growth is significantly higher than forecasted

Source: Cignal AI, Optical Components Report, Feb 2026

## Network Bandwidth



**+36%**  
CAGR '25-'29

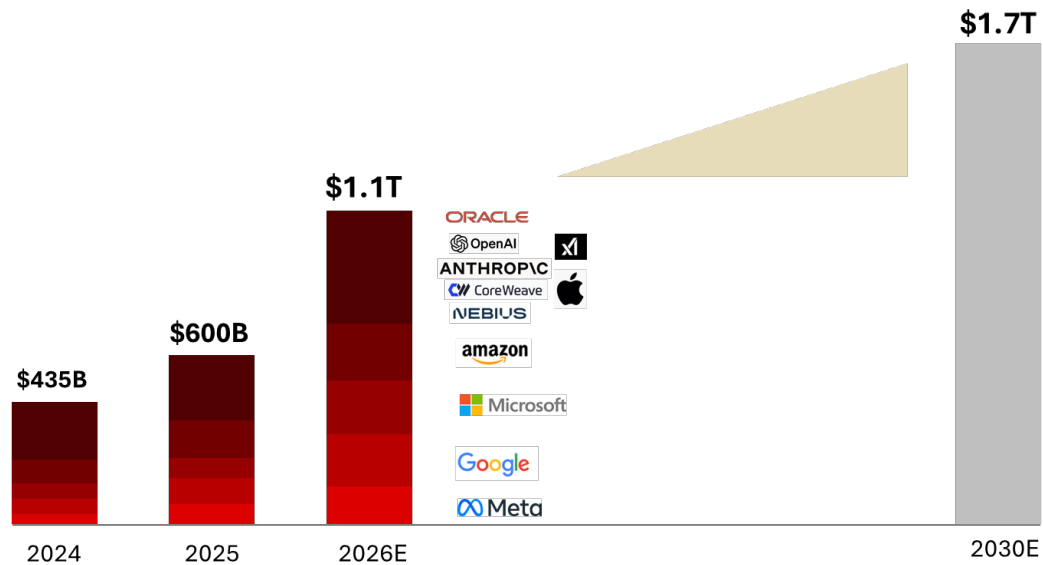
Growth is similar to data center ...but 1/50<sup>th</sup> of capacity

Source: Cignal AI, Optical Components Report, Feb 2026

The size and scale of AI-driven investments are resulting in sustained high bandwidth growth

# Cloud Providers are the drivers of industry change

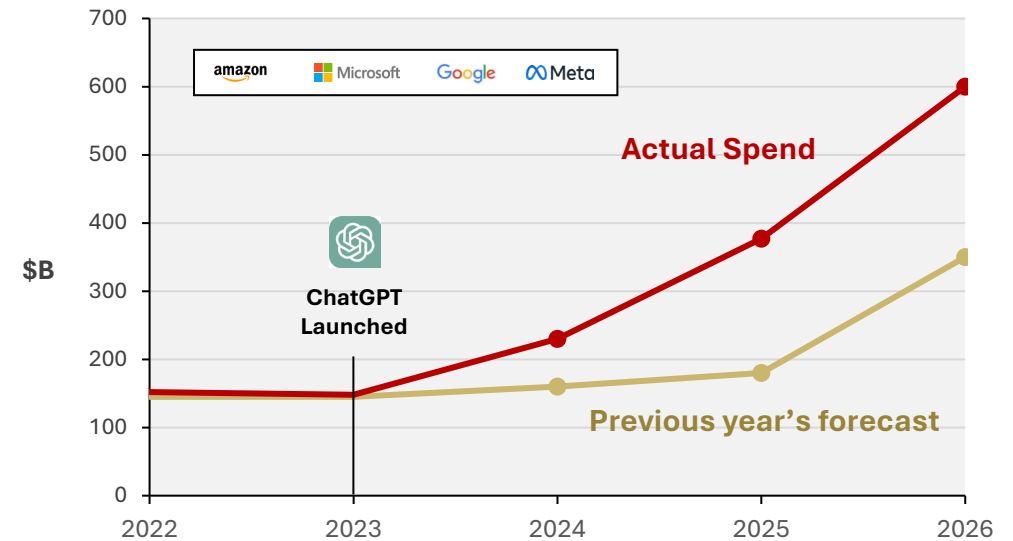
Cloud Provider CapEx forecast is accelerating rapidly



The forecasted range of Cloud Provider CapEx is far exceeding previous estimates

Sources: Company earnings, analyst projections, 2030 projections from Dell'Oro Group, and Ciena internal analysis

Cloud Provider spend has been higher than forecasted



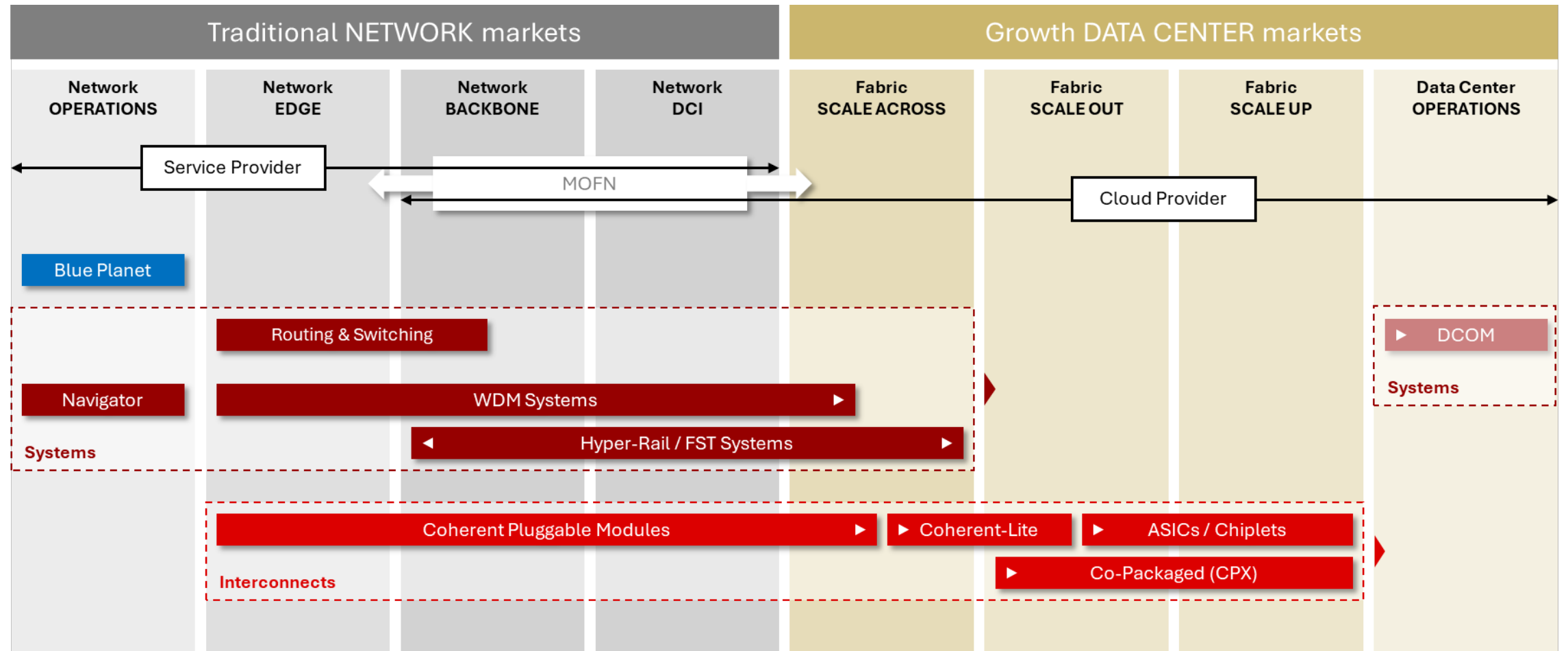
Forecasts have consistently underestimated Cloud Providers' CapEx

Sources: Company earnings for actuals, various analysts for forecasts

Cloud Providers (CP) – and especially the Hyperscalers – are funding an unprecedented scale of investment

# Ciena is the leader in high-speed connectivity

*Our strategic investments are extending to in-and-around the data center, leveraging our strengths to expand our footprint*



**Our core optical strength is the foundation for our portfolio expansion**

**ciena**®

# Q2 FY 2026 results



# Ciena's differentiated position in AI is driving record performance

## Achieving broad-based growth

- Revenue: \$1.6B, up 40% YoY
- Cloud provider revenue: 46% of total, up 70% YoY
- RLS and Waveserver revenue each grew more than 55% YoY
- India revenue more than doubled YoY, driven by MOFN

## Driving the pace of innovation

- WL6 Extreme: 110 customers, +20 new in Q2
- Awarded the industry's first hyperscaler multi-rail opportunity with RLS Hyper-Rail, reinforcing Ciena's technology leadership in AI infrastructure solutions

## Prioritizing long-term shareholder value

- Adj. gross margin: 44.9%, up +390bps YoY
- Adj. operating margin: 19.5%, up +1,130bps YoY
- Free cash flow: \$219M, up 71% YoY
- Repurchased \$83M in Q2; ~\$493M returned under the \$1B program

# Q2 FY 2026 comparative financial highlights

GAAP Results	Q2 FY2025	Q1 FY2026	Q2 FY2026	YoY Change**
Revenue	\$1.13B	\$1.43B	\$1.57B	40%
Gross Margin	40.2%	43.8%	44.0%	380 bps
Operating Expense	\$420M	\$436M	\$454M	8%
Operating Margin	2.9%	13.3%	15.1%	1,220 bps
EBITDA	\$67M	\$233M	\$283M	324%
Fully Diluted EPS	\$0.06	\$1.03	\$1.49	2383%

Non-GAAP Results	Q2 FY2025	Q1 FY2026	Q2 FY2026	YoY Change**
Revenue	\$1.13B	\$1.43B	\$1.57B	40%
Adjusted Gross Margin*	41.0%	44.7%	44.9%	390 bps
Adjusted Operating Expense*	\$370M	\$383M	\$398M	8%
Adjusted Operating Margin*	8.2%	17.9%	19.5%	1,130 bps
Adjusted EBITDA*	\$117M	\$287M	\$342M	193%
Adjusted EPS*	\$0.42	\$1.35	\$1.64	290%

\* Reconciliations of these non-GAAP measures to our GAAP results are included in the Appendix and in the press release for the relative period.

\*\* Denotes % change, or in the case of margin, absolute change

## Q2 FY 2026 comparative operating metrics

	Q2 FY 2025	Q2 FY 2026	YoY Change*
<b>Cash and investments</b>	\$1.3B	\$1.4B	8%
<b>Cash provided by operations</b>	\$157M	\$260M	66%
<b>Free cash flow</b>	\$128M	\$219M	71%
<b>DSO</b>	87	71	(16)
<b>Inventory turns</b>	2.5x	3.6x	1.1x
<b>Net debt</b>	\$253M	\$138M	(45)%
<b>Gross leverage</b>	3.2x	1.6x	(1.6)x

\* Denotes % change, or in the case of DSO, inventory turns, and gross leverage, absolute change



# Business outlook

# Key assumptions underlying our outlook

**AI infrastructure investment:** Cloud providers continue to increase capital expenditure on AI data center buildout at levels consistent with recent public commitments.

**Supply chain:** Global supply of optical components and substrates remains broadly stable, with no material disruptions to our ability to fulfill customer orders.

**Trade and tariff policy:** No material change to current US and international tariff and trade policy affecting our products or our customers' purchasing decisions.

**Foreign exchange:** Currency exchange rates remain broadly consistent with levels prevailing at the time of this report.

*For additional considerations relating to our outlook, please refer to our note about forward looking statements on Slide 2 and the risk factors disclosed in Ciena's periodic reports filed with the Securities and Exchange Commission.*

# Business outlook for fiscal Q3 and full-year 2026<sup>1</sup>

	Fiscal Q3 2026	Fiscal FY 2026
<b>Revenue</b>	\$1.625B plus or minus \$50M	\$6.3B plus or minus \$100M
<b>Adjusted Gross Margin</b>	45.0% plus or minus 50 bps	44.5% to 45.0%
<b>Adjusted Operating Expense</b>	\$410M plus or minus \$10M	\$1.61B plus or minus \$20M
<b>Adjusted Operating Margin</b>	19% to 20%	19% plus or minus 50 bps

<sup>1</sup> Projections or outlook with respect to future operating results are only as of June 4, 2026, the date presented on the related earnings call. Actual results may differ materially from these forward-looking statements. Ciena assumes no obligation to update this information, whether as a result of new information, future events or otherwise.

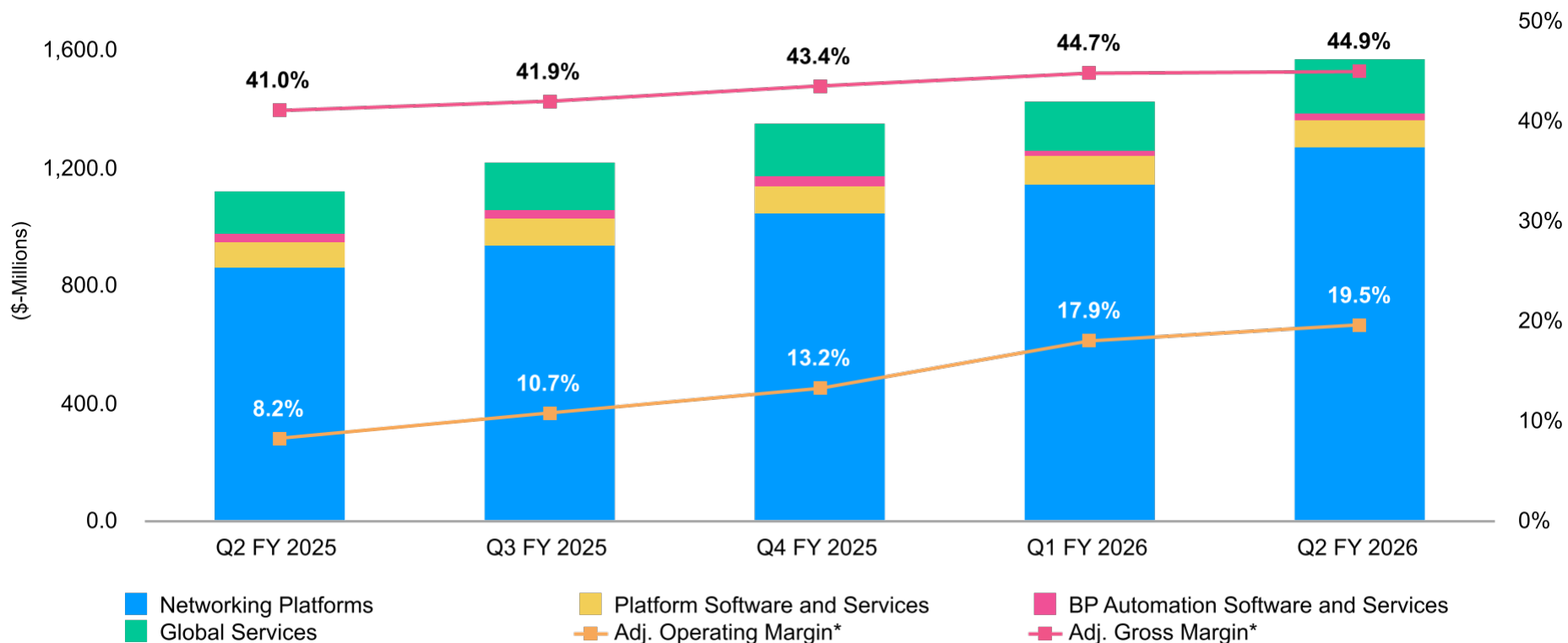


# Q2 FY 2026 appendix

# Glossary of terms

Term	Definition
<b>Coherent optics</b>	A technology for sending data over fiber optic cables using light waves — faster and more efficient than traditional methods at long distances
<b>WaveLogic</b>	Ciena's proprietary family of coherent optical chips — the core technology inside most of our networking products
<b>Data center interconnect</b>	The optical connections that link data centers to each other — the fastest-growing segment of the optical networking market
<b>RLS (reconfigurable line system)</b>	Optical network hardware that can be remotely reconfigured without physically sending a technician on-site
<b>RLS Hyper-Rail</b>	Ciena's 2nd generation intelligent photonic line systems designed to support multiple fiber pairs—or rails—in parallel. Multi-rail systems are optimized for deploying multiple fibers over the same route, with each rail functioning as a high-capacity optical highway with dedicated amplification, monitoring, and control.
<b>DCOM</b>	Direct optical connections between compute chips inside an AI data center — replacing copper cables with fiber
<b>400G / 800G / 1.6T</b>	Shorthand for data transmission speeds: 400, 800, or 1,600 gigabits per second — each generation roughly doubles the capacity of the previous
<b>Scale-across</b>	Connects distributed AI training clusters across multiple data centers. Enables hyperscalers to operate geographically separated GPU fabrics as a single system, delivering the bandwidth, latency, and reliability required for large-scale AI training.

# Revenue by segment

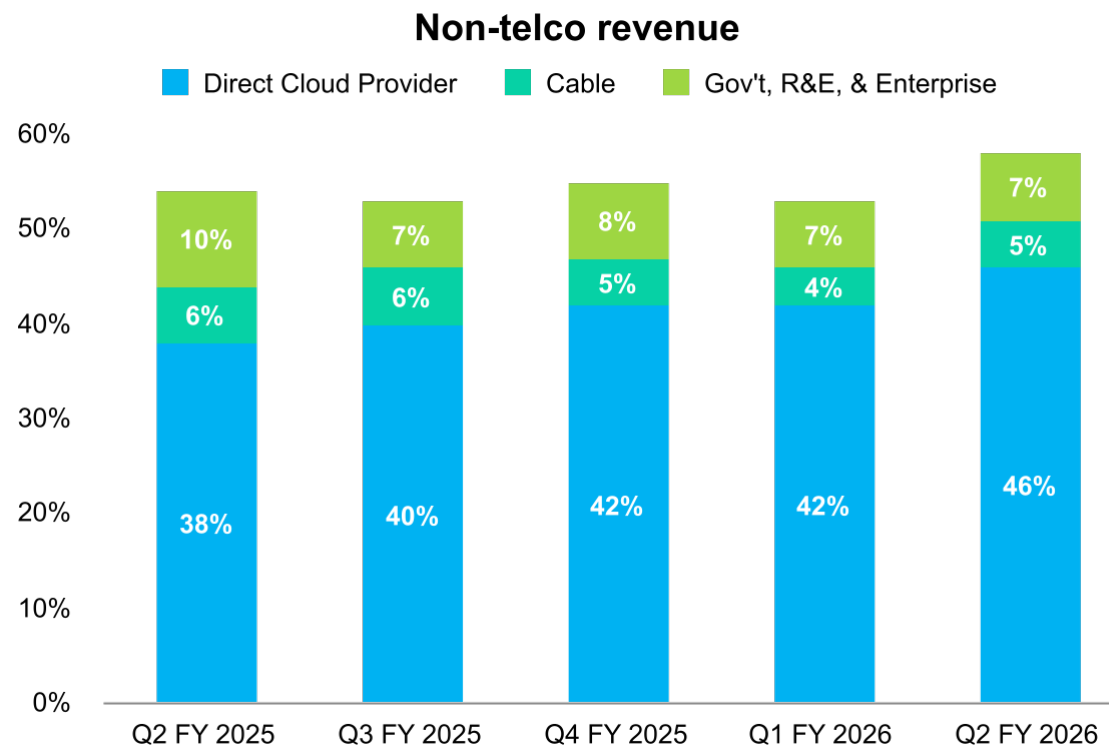
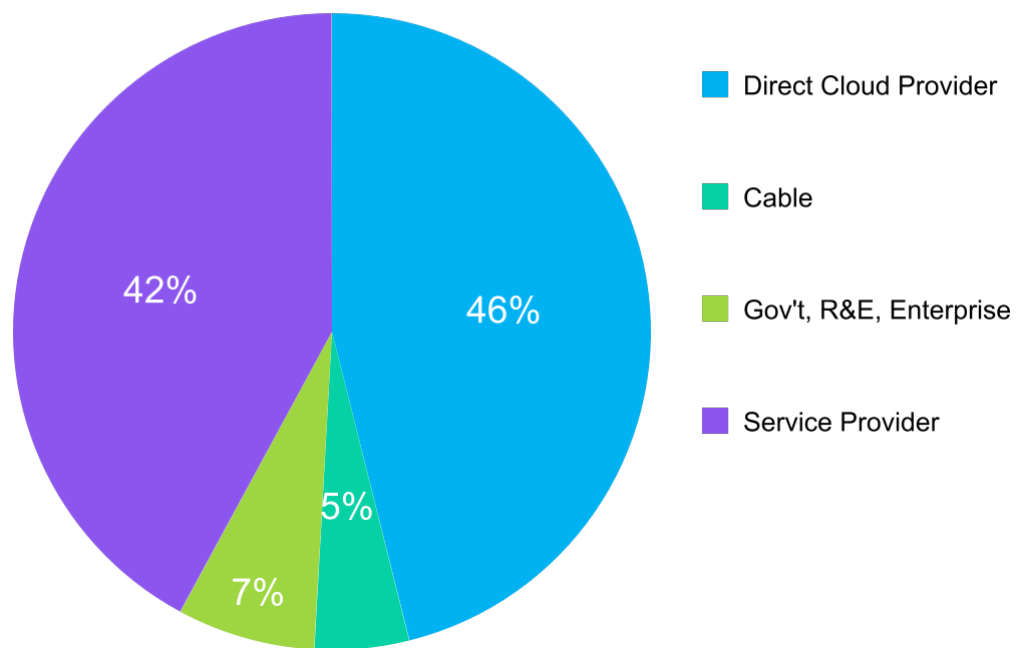


\* Reconciliations of these non-GAAP measures to GAAP results are included in this presentation.

\*\* Denotes % of total revenue

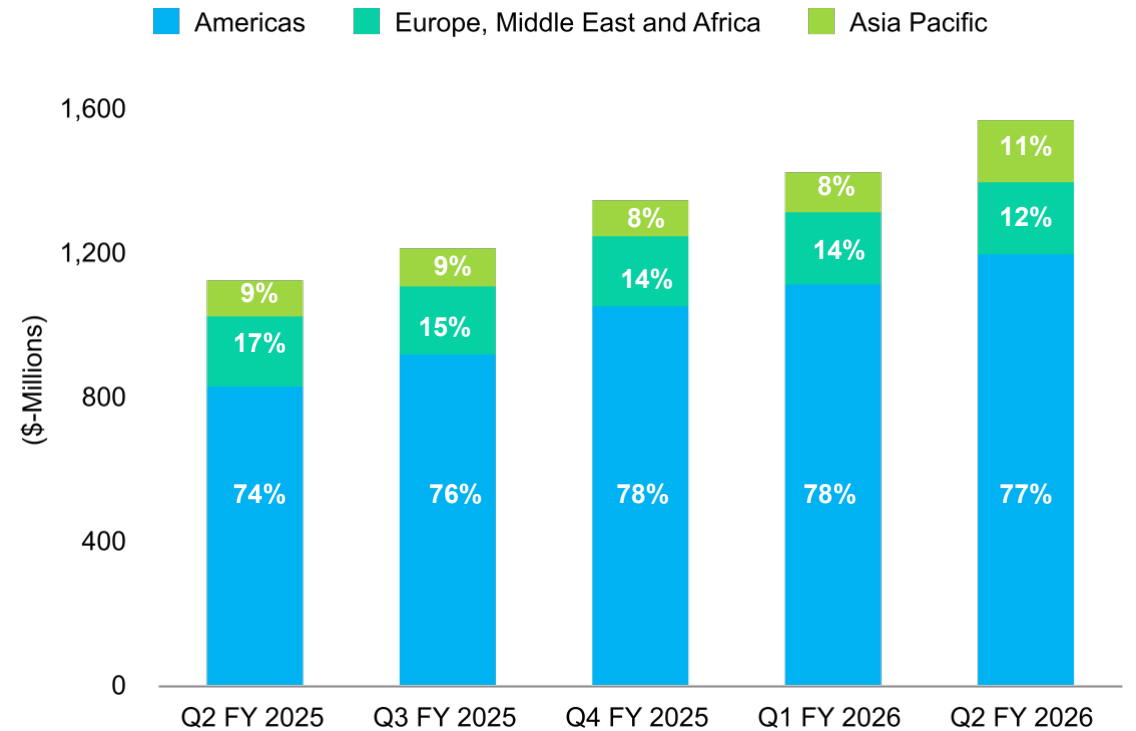
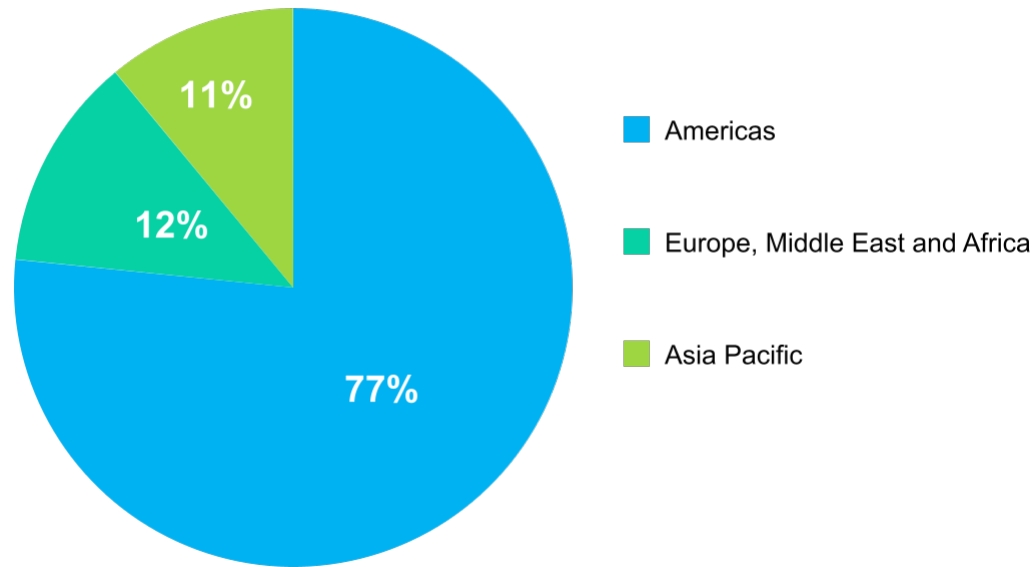
# Revenue by customer type

Q2 FY 2026 Revenue  
Non-telco comprised 58% of total



# Revenue by geographic region

Q2 FY 2026



## Gross Profit Reconciliation (Amounts in thousands)

	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
GAAP gross profit	\$691,554	\$625,520	\$577,179	\$503,079	\$452,838
Share-based compensation-products	2,010	1,822	1,964	2,027	2,033
Share-based compensation-services	4,504	4,025	3,857	3,942	3,980
Amortization of intangible assets	6,787	6,785	3,750	2,232	2,232
Total adjustments related to gross profit	13,301	12,632	9,571	8,201	8,245
<b>Adjusted (non-GAAP) gross profit</b>	<b>\$704,855</b>	<b>\$638,152</b>	<b>\$586,750</b>	<b>\$511,280</b>	<b>\$461,083</b>
<b>Adjusted (non-GAAP) gross profit percentage</b>	<b>44.9 %</b>	<b>44.7 %</b>	<b>43.4 %</b>	<b>41.9 %</b>	<b>41.0 %</b>

## Operating Expense Reconciliation (Amounts in thousands)

	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
GAAP operating expense	\$453,683	\$436,108	\$566,688	\$429,544	\$419,996
Share-based compensation-research and development	18,586	16,594	16,274	16,749	17,021
Share-based compensation-sales and marketing	16,486	14,754	13,543	13,277	13,649
Share-based compensation-general and administrative	13,887	12,632	13,248	11,008	11,341
Significant asset impairments and restructuring costs	805	1,498	106,851	1,770	1,948
Amortization of intangible assets	3,713	4,736	6,112	6,556	6,545
Acquisition and integration costs	—	306	1,148	—	—
Holdback arrangement	2,411	2,403	802	—	—
Total adjustments related to operating expense	55,888	52,923	157,978	49,360	50,504
<b>Adjusted (non-GAAP) operating expense</b>	<b>\$397,795</b>	<b>\$383,185</b>	<b>\$408,710</b>	<b>\$380,184</b>	<b>\$369,492</b>

## Income from Operations Reconciliation (Amounts in thousands)

	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
GAAP income from operations	\$237,871	\$189,412	\$10,491	\$73,535	\$32,842
Total adjustments related to gross profit	13,301	12,632	9,571	8,201	8,245
Total adjustments related to operating expense	55,888	52,923	157,978	49,360	50,504
Total adjustments related to income from operations	69,189	65,555	167,549	57,561	58,749
<b>Adjusted (non-GAAP) income from operations</b>	<b>\$307,060</b>	<b>\$254,967</b>	<b>\$178,040</b>	<b>\$131,096</b>	<b>\$91,591</b>
<b>Adjusted (non-GAAP) operating margin percentage</b>	<b>19.5 %</b>	<b>17.9 %</b>	<b>13.2 %</b>	<b>10.7 %</b>	<b>8.2 %</b>

## Net Income Reconciliation (Amounts in thousands)

	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
GAAP net income	\$218,220	\$150,283	\$19,489	\$50,308	\$8,969
Exclude GAAP provision (benefit) for income taxes	12,840	30,832	(16,631)	15,511	10,047
Income before income taxes	231,060	181,115	2,858	65,819	19,016
Total adjustments related to income from operations	69,189	65,555	167,549	57,561	58,749
Adjusted income before income taxes	300,249	246,670	170,407	123,380	77,765
Non-GAAP tax provision on adjusted income before income taxes	60,050	49,334	37,490	27,144	17,108
<b>Adjusted (non-GAAP) net income</b>	<b>\$240,199</b>	<b>\$197,336</b>	<b>\$132,917</b>	<b>\$96,236</b>	<b>\$60,657</b>
Weighted average basic common shares outstanding	141,949	141,676	141,527	141,846	142,503
Weighted average diluted potential common shares outstanding <sup>(1)</sup>	146,314	145,799	145,470	144,499	144,972

## Net Income per Common Share

	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
GAAP diluted net income per potential common share	\$ 1.49	\$ 1.03	\$ 0.13	\$ 0.35	\$ 0.06
<b>Adjusted (non-GAAP) diluted net income per potential common share</b>	<b>\$ 1.64</b>	<b>\$ 1.35</b>	<b>\$ 0.91</b>	<b>\$ 0.67</b>	<b>\$ 0.42</b>

<sup>(1)</sup> Weighted average dilutive potential common shares outstanding used in calculating Adjusted (non-GAAP) diluted net income per potential common share for the second quarter ended fiscal 2026 includes 4.4 million shares underlying certain stock option and stock unit awards.

## Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (Amounts in thousands)

<i>Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)</i>	Q2 FY 2026	Q1 FY 2026	Q4 FY 2025	Q3 FY 2025	Q2 FY 2025
Net income (GAAP)	\$218,220	\$150,283	\$19,489	\$50,308	\$8,969
Add: Interest expense	20,922	21,254	21,982	22,806	21,697
Less: Interest and other income, net	14,111	12,957	14,349	15,090	7,871
Add: Provision (benefit) for income taxes	12,840	30,832	(16,631)	15,511	10,047
Add: Depreciation of equipment, building, furniture and fixtures, and amortization of leasehold improvements	34,712	32,309	27,496	26,866	25,092
Add: Amortization of intangible assets	10,500	11,521	9,862	8,788	8,777
<b>EBITDA</b>	<b>\$283,083</b>	<b>\$233,242</b>	<b>\$47,849</b>	<b>\$109,189</b>	<b>\$66,711</b>
Add: Share-based compensation expense	55,473	49,827	48,886	47,003	48,024
Add: Significant asset impairments and restructuring expense	805	1,498	106,851	1,770	1,948
Add: Acquisition and integration costs	—	306	1,148	—	—
Add: Holdback arrangement	2,411	2,403	802	—	—
<b>Adjusted EBITDA</b>	<b>\$341,772</b>	<b>\$287,276</b>	<b>\$205,536</b>	<b>\$157,962</b>	<b>\$116,683</b>

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**Thank You**